Reducing Petroleum Dependence in California: Uncertainties About Light-Duty Diesel

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California's Petroleum Appetite

- Californians consume > 1.4 million barrels daily
 - 63 % motor gasoline
 - 12 % distillate, mostly diesel
- California has moved from net exporter to net importer
 - Internal demand is up
 - California crude oil production is down



AB 2076: Dependence Reduction

- Two tasks
 - State petroleum reserve analysis
 - California strategy to reduce petroleum dependence
- Petroleum reduction report
 - California Air Resources Board and California Energy Commission
 - Identify transportation sector oil reduction options
 - Make recommendations



CEC Draft Analysis of Diesel

- Considered LDV 10,000 lbs. and under
- Estimated amount of petroleum saved
- Assessed vehicle costs
- Noted emission control hurdles



CEC Findings

- Diesel LDV average fuel economy > similar gasoline models
- Diesel LDV costs > gasoline
- LDV diesel sales low in CA (emissions requirements)
- Debate exists about diesel's ability to meet emissions standards

Industry's View of Diesel's Role

Diesel has fuel economy benefits

AND

Diesel emits less CO2 than gasoline

THEREFORE



International:

We'll have our lawyers suggest to the CEC that California should relax its emissions regulations (March 2002).



Ford:

We'll make a diesel that will meet the California standards.



Clean Air Advocates' View: Uncertainties About Diesel LDV

- Manufacturers' ability/willingness to meet California standards
- Adequacy of standards to protect health
- Emission control durability
- Climate forcing concerns



Reality Check

Californians care about air.

